



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 30, 2005

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 1430

Randy Anderson
Staker & Parson Companies
1730 North Beck Street
P.O. Box 27598
Salt Lake City, Utah 84127-0598

Subject: Transfer & Reclamation Bond, Staker & Parson Companies, Ekins East Quarry, M/049/032, Utah County, Utah

Dear Mr. Anderson:

On June 11, 2002, the Division was notified that Staker & Parson Companies was taking over the operation of the Ekins East Quarry. You were notified at that time that a transfer and a replacement surety would need to be provided. To date that has not happened and the permit for Ekins East Quarry still remains in Valley Asphalt's name. On April 28, 2004, a Notice of Noncompliance/Division Directive was issued to Staker instructing them to complete the transfer of the permit into their name and to submit a replacement surety. To date this Notice is still outstanding because the directives have not been satisfied.

Last summer the Division met with you and Marty White onsite to discuss the reclamation of this site. The discussions centered on what would be required by the Division for final closure and release of the site. The transfer of this permit from Valley Asphalt to Staker & Parson was also discussed. You stated that Staker & Parson did not want to transfer this permit into their name because their only interest was to reclaim the site and remove the liability.

You also stated that Staker & Parson would produce a reclamation estimate and a plan for reclaiming the site. A concept was discussed that if the amount of the estimate was sufficient, Mr. Ekins may opt to assume the liability for the reclamation of the site. We stated that in order for him to consider this option an estimate and a plan would need to be generated. You stated that time was of the essence because if Mr. Ekins did not want to assume the liability for the site, Staker & Parson would

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begin reclaiming the site by November 1, 2004. We are not aware of any reclamation being accomplished as of this date.

On August 27, 2004, a surety estimate in the amount of \$206,013 was submitted to the Division, but the estimate did not contain a plan of how the reclamation would be completed. The Division requested that a plan be submitted to delineate the reclamation activities that would take place for the surety amount submitted. To date we have not received this plan.

The Division feels that it has allowed Staker & Parson sufficient time to complete the transfer and supply a reclamation plan to supplement the reclamation cost figures supplied to us previously. **This letter is to notify you that the Division is now placing a deadline of May 2, 2005 for Staker & Parson to complete the transfer of this permit and to supply a replacement surety in the amount of \$327,200, which is the amount currently held in Valley Asphalt's name.** If this action is not completed by this time enforcement action may ensue.

In June of 2004, Inspection and Enforcement rules were approved by the Board of Oil, Gas & Mining, which allow the Division to seek financial penalties for failure to follow the Utah Mined Land Reclamation Act. The lack of activity on your part concerning the completion of the transfer and supplying the requested reclamation plan could result in an enforcement action with associated fines and penalties.

We feel that we have been more than patient with Staker & Parson to affect the transfer or reclamation of this property. This action is being taken to assure that the requested actions are completed in a timely manner.

If you have any questions please call me at (801) 538-5325.

Sincerely,



Daron Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:dj:jb

cc: Shirl Ekins, owner
Mike Dalley, Staker & Parson
Marty White, Staker Parson

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